



MEDIA ADVISORY

State Senate Commerce Committee to Discuss Bill to Broaden Consumer Choice on Winery Direct-to-Consumer Shipping

WHERE: Testimony will take place in Committee Room 6, First Floor, State House Annex, Trenton and the committee proceedings can be monitored at https://www.njleg.state.nj.us/.

WHEN: June 16, 2021 at 10 am

WHAT: NJ law sharply limits choice by preventing consumers from having more than 90% of US wines shipped to their home or workplace. Wineries producing under 250,000 gallons per year can ship direct to NJ consumers; individual wineries or wine companies producing more than this "capacity cap" limit cannot.

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Supporters of legislation (A1943/ S2683) to open direct-to-consumer shipping from any US winery that pays a license fee and agrees to collect/remit state sales and excise taxes – among other requirements -- will testify in favor of the measure at this discussion-only hearing. Among those expected to testify are:

- Terri Cofer Beirne, Eastern Counsel, Wine Institute
- Tony Tarantino, NJ wine customer
- Anne Huffsmith, General Counsel, Naked Wines
- Alan Sharp, Naked Wines NJ customer
- Greg Kryder, Chief Finance Officer, Penrose Hill

Of the 46 – and soon to be 47 -- states that allow winery-to-consumer direct shipping, only New Jersey and Ohio have laws banning some wineries from doing so based on their production each vintage. States that allow direct-to-consumer shipping from all wineries have seen no loss in wholesale or retail revenues, or associated jobs.

Eliminating the capacity cap will:

- Bring New Jersey **\$3.3 million** to **\$4.6 million** a year, short term, in taxes and fees and nearly **\$6 million** a year, longer term.
- Result in much wider choice for New Jersey consumers and lower average cost-per-bottle.
- Expand the e-commerce channel broadly to the benefit of all participants, including local retailers.
- Allow room for **simultaneous expansion** of both the DtC and traditional offpremises retail channel for wine sales with no loss of business or jobs.



This data is from an April 2021 <u>report by wine industry experts</u> commissioned by Naked Wines, a member of the <u>Free The Grapes!</u> coalition.

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